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Shultz Moves

Secretary of State George Shultz, quiet man of the Cabinet, has started his move to control foreign policy in the second Reagan administration by offering U.S. help for developing new Soviet oil and gas reserves—drawing fire from President Reagan's ideological soulmates.

The Kremlin badly needs high-tech oil-and-gas-exploration equipment. Commerce Secretary Malcolm Baldrige, backed by Shultz, will send a high-level official to Moscow in mid-January to discuss new commercial arrangements.

That fits into Shultz's overall diplomatic game plan to upgrade U.S.-Soviet relations, culminating in an arms control agreement. Shultz believes he now has Ronald Reagan's tacit backing to run the whole foreign policy show himself, and he may win this first round. But not without a battle.

When news of the Shultz-Baldrige oil-and-gas initiative leaked last week, the president's hard-line Pentagon and Capitol Hill allies could not believe Reagan would ease trade with the Russians while alleged Soviet complicity in the attempted assassination of the pope remained an open question. They counterattacked with a clandestine move to seize control of the bureaucratic machinery and paper work that must precede a final decision by the National Security Council. This is designed to place the issue in the hands of the Pentagon-based Technology Transfer Panel of the NSC instead of the Treasury-headed International Economic Policy Panel, friendly to Shultz's views.

The issue of blocking oil-gas technology from easier purchase by the Soviet Union is viewed by hard-liners as vital to the U.S.-Soviet balance. Norway's immense undersea gas reserves may never be tapped if gas is extracted from the Barents Sea Soviet reserves. That would put Moscow in position to satisfy Western Europe's gas needs far into the future in return for the hard currency Moscow badly needs.

Shultz's determination has not been moved by provocative behavior in the Kremlin—not even Moscow's blatant threat last week to end all Soviet energy exports to England in reprisal for Prime Minister Margaret Thatcher's refusal to yield to Britain's striking coal miners. Nor was the secretary influenced by those spurious Soviet charges of CIA complicity in the murder of Indian Prime Minister Indira Gandhi. That accusation was surely calculated to weaken revelations that the KGB plotted the murder of the pope, using Bulgarian state security.

Indifference to outrageous Soviet behavior demonstrates Shultz's conviction in his own no-linkage doctrine. He expressed it last month in his seminal address in Los Angeles: "We should not sacrifice long-term interests in order to express immediate outrage." "Long-term interests" are billions of dollars' worth of American sales to the Soviet Union in high-tech equipment needed to develop the Barents Sea gas fields. Shultz, an economist and former head of an international corporation, values these revenues for American capitalists the way they are valued by two other Cabinet businessmen, Baldrige and Treasury Secretary Donald Regan.

The president's ideological partners don't agree. That includes the Pentagon team, headed by Defense Secretary Caspar Weinberger. Two key senators—Jake Garn, the powerful Banking Committee chairman, and Sen. Jesse Helms, putative new chairman of the Foreign Relations Committee—will fight Shultz. Robert McFarlane, the national security assistant, lacks power to resolve these disputes. But he has contrived the idea of "czars" over arms control and the overall U.S.-Soviet relationship. These top-level insiders would end the arguments that have split the Cabinet and bureaucracy.

That is not what Shultz wants. Understandably, he is seeking all authority in his own hands and, as of now, is winning with the president. But there are many other disagreements about the U.S.-Soviet relationship, including arms control, yet to be fought.